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7 United States of America

8 **UNITED STATES DISTRICT COURT**
9 **SOUTHERN DISTRICT OF CALIFORNIA**

10 UNITED STATES OF AMERICA,

Case No. 14-CR-2253-DMS

11 Plaintiff,

12 v.

PLEA AGREEMENT

13 JUAN MANUEL ALVAREZ INZUNZA,

14 Defendant.

15 IT IS HEREBY AGREED between the plaintiff, UNITED STATES OF
16 AMERICA, through its counsel, Randy S. Grossman, Acting United States
17 Attorney, and Daniel E. Zipp, Assistant United States Attorney, and
18 defendant, Juan Manuel Alvarez Inzunza, with the advice and consent of
19 Frederick Matthew Carroll, counsel for defendant, as follows:

20 **I**

21 **THE PLEA**

22 Defendant agrees to plead guilty to Count 1 of the Second
23 Superseding Indictment in Case number 14-CR-2553-DMS charging defendant
24 with conspiracy to launder monetary instruments, in violation of Title
25 18, United States Code Section 1956(h). The Government agrees further
26 to (1) move to dismiss the remaining charges without prejudice when
27 defendant is sentenced, and (2) not prosecute defendant thereafter on
28

Def. Initials JMAI

1 such dismissed charges unless defendant breaches the plea agreement or
2 the guilty plea entered pursuant to this plea agreement is set aside
3 for any reason. Defendant expressly waives all constitutional and
4 statutory defenses to the reinstatement of any charges dismissed
5 pursuant to this agreement.

6 Defendant agrees further that, following entry of defendant's
7 guilty plea, the Government need not hold or preserve any evidence
8 seized in connection with this case. With respect to any controlled
9 substance seized in connection with this case, defendant agrees that,
10 following entry of defendant's guilty plea, the Government need not
11 preserve, and may destroy, the controlled substance thirty (30) days
12 after the Government has provided defendant with the laboratory analysis
13 report. If defendant believes that additional testing is needed,
14 defendant will arrange for, and complete, such testing within the above-
15 referenced thirty (30) day period, unless that period is extended by
16 joint written agreement between the parties or by order of the Court,
17 in which case the Government shall preserve the controlled substance
18 for the agreed-upon or judicially mandated period. Furthermore, if the
19 court has issued a preservation order in connection with any seized
20 evidence, the defendant agrees to jointly request that the Court lift
21 or revoke the preservation order following entry of defendant's guilty
22 plea.

23 II

24 NATURE OF THE OFFENSE

25 A. ELEMENTS EXPLAINED

26 Defendant understands that the offenses to which he is pleading
27 guilty have the following elements:

1 1. There was an agreement between two or more people to launder
2 money through international promotion, that is, an agreement to
3 transport money from a place in the United States to or through a
4 place outside the United States with the intent to promote the
5 specified unlawful activity, that is, the distribution of
6 narcotics; and

7 2. The defendant joined the conspiracy knowing its object and
8 intending to help accomplish it.

9 Defendant further understands that all of the property either
10 involved in the offense to which he is pleading guilty and/or traceable
11 to such property involved in the offense is subject to forfeiture to
12 the United States.

13 B. ELEMENTS UNDERSTOOD AND ADMITTED - FACTUAL BASIS

14 Defendant has fully discussed the facts of this case with defense
15 counsel. Defendant has committed each of the elements of the crime and
16 admits that there is a factual basis for this guilty plea. The following
17 facts are true and undisputed:

18 1. From at least December 2013, and continuing through August,
19 2015, there was an agreement between defendant and one or more
20 persons to transfer drug proceeds from places inside the United
21 States to places outside of the United States, including Colombia
22 and Mexico.

23 2. As part of the agreement, defendant arranged for the transfer
24 of more than \$3,500,000, in funds he knew to be drug proceeds,
25 from the United States to Colombia and Mexico;

26 3. Defendant joined the agreement knowing that its purpose was
27 to launder monetary instruments in order to promote the purchase
28 and transportation of cocaine intended for importation into the
United States, and he intended to help accomplish that purpose;

III

PENALTIES

Defendant understands that the crimes to which defendant is
pleading guilty carry the following penalties:

- 1 A. a maximum term of 20 years in prison;
- 2 B. a maximum \$500,000 fine, or twice the value of the property
- 3 involved in the transaction, whichever is greater;
- 4 C. a mandatory special assessment of \$100 per count; and
- 5 D. a term of supervised release of 3 years. Defendant
- 6 understands that failure to comply with any of the
- 7 conditions of supervised release may result in
- 8 revocation of supervised release, requiring defendant to
- 9 serve in prison, upon any such revocation, all or part of
- 10 the statutory maximum term of supervised release for the
- 11 offense that resulted in such term of supervised release.

12 IV

13 **DEFENDANT'S WAIVER OF TRIAL RIGHTS**

14 Defendant understands that this guilty plea waives the right to:

- 15 A. Continue to plead not guilty and require the Government to
- 16 prove the elements of the crime beyond a reasonable doubt;
- 17 B. A speedy and public trial by jury;
- 18 C. The assistance of counsel at all stages of trial;
- 19 D. Confront and cross-examine adverse witnesses;
- 20 E. Testify and present evidence and to have witnesses testify
- 21 on behalf of defendant; and,
- 22 F. Not testify or have any adverse inferences drawn from the
- 23 failure to testify.

24 V

25 **DEFENDANT ACKNOWLEDGES NO PRETRIAL RIGHT TO BE**

26 **PROVIDED WITH IMPEACHMENT AND AFFIRMATIVE DEFENSE INFORMATION**

27 The Government represents that any information establishing the

28 factual innocence of defendant known to the undersigned prosecutor in

this case has been turned over to defendant. The Government will

continue to provide such information establishing the factual innocence

of defendant.

1 Defendant understands that if this case proceeded to trial, the
 2 Government would be required to provide impeachment information
 3 relating to any informants or other witnesses. In addition, if defendant
 4 raised an affirmative defense, the Government would be required to
 5 provide information in its possession that supports such a defense.
 6 Defendant acknowledges, however, that by pleading guilty defendant will
 7 not be provided this information, if any, and defendant also waives the
 8 right to this information. Finally, defendant agrees not to attempt to
 9 withdraw the guilty plea or to file a collateral attack based on the
 10 existence of this information.

VI

DEFENDANT'S REPRESENTATION THAT GUILTY PLEA IS KNOWING AND VOLUNTARY

Defendant represents that:

- A. Defendant has had a full opportunity to discuss all the facts and circumstances of this case with defense counsel and has a clear understanding of the charges and the consequences of this plea. Defendant understands that, by pleading guilty, defendant may be giving up, and rendered ineligible to receive, valuable government benefits and civic rights, such as the right to vote, the right to possess a firearm, the right to hold office, and the right to serve on a jury. Defendant further understands that the conviction in this case may subject defendant to various collateral consequences, including but not limited to deportation, removal or other adverse immigration consequences; revocation of probation, parole, or supervised release in another case; debarment from government contracting; and suspension or revocation of a professional license, none of which will serve as grounds to withdraw defendant's guilty plea.
- B. No one has made any promises or offered any rewards in return for this guilty plea, other than those contained in this agreement or otherwise disclosed to the Court.
- C. No one has threatened defendant or defendant's family to induce this guilty plea.

1 D. Defendant is pleading guilty because in truth and in fact
2 defendant is guilty and for no other reason.

3 **VII**

4 **AGREEMENT LIMITED TO U.S. ATTORNEY'S OFFICE**
5 **SOUTHERN DISTRICT OF CALIFORNIA**

6 This plea agreement is limited to the United States Attorney's
7 Office for the Southern District of California, and cannot bind any
8 other federal, state or local prosecuting, administrative, or
9 regulatory authorities, although the Government will bring this plea
10 agreement to the attention of other authorities if requested by the
11 defendant.

12 **VIII**

13 **APPLICABILITY OF SENTENCING GUIDELINES**

14 Defendant understands the sentence imposed will be based on the
15 factors set forth in 18 U.S.C. § 3553(a). Defendant understands further
16 that in imposing the sentence, the sentencing judge must consult the
17 United States Sentencing Guidelines (Guidelines) and take them into
18 account. Defendant has discussed the Guidelines with defense counsel
19 and understands that the Guidelines are only advisory, not mandatory,
20 and the Court may impose a sentence more severe or less severe than
21 otherwise applicable under the Guidelines, up to the maximum in the
22 statute of conviction. Defendant understands further that the sentence
23 cannot be determined until a presentence report has been prepared by
24 the U.S. Probation Office and defense counsel and the Government have
25 had an opportunity to review and challenge the presentence report.
26 Nothing in this plea agreement shall be construed as limiting the
27 Government's duty to provide complete and accurate facts to the district
28 court and the U.S. Probation Office.

IX

SENTENCE IS WITHIN SOLE DISCRETION OF JUDGE

This plea agreement is made pursuant to Federal Rule of Criminal Procedure 11(c)(1)(B). Defendant understands that the sentence is within the sole discretion of the sentencing judge. The Government has not made and will not make any representation as to what sentence defendant will receive. Defendant understands that the sentencing judge may impose the maximum sentence provided by statute, and is also aware that any estimate of the probable sentence by defense counsel is a prediction, not a promise, and is not binding on the Court. Likewise, the recommendation made by the Government is not binding on the Court, and it is uncertain at this time what defendant's sentence will be. Defendant also has been advised and understands that if the sentencing judge does not follow any of the parties' sentencing recommendations, defendant nevertheless has no right to withdraw the plea.

X

PARTIES' SENTENCING RECOMMENDATIONSA. SENTENCING GUIDELINE CALCULATIONS

Although the parties understand that the Guidelines are only advisory and just one of the factors the Court will consider under 18 U.S.C. § 3553(a) in imposing a sentence, the parties will jointly recommend the following Base Offense Level, Specific Offense Characteristics, Adjustments and Departures:

1. Base Offense Level [§ 2S1.1(a)(1)]	8
2. Amount of Money Laundered [§ 2B1.1]	+18
3. Knowledge of Drug Proceeds [§ 2S1.1(b)(1)]	+6
4. Business of Laundering Funds [§ 2S1.1(b)(2)]	+4
5. Organizer/Leader [§ 3B1.1]	+4
6. Acceptance of Responsibility [§ 3E1.1]	-3
OFFENSE LEVEL	37

1 B. ACCEPTANCE OF RESPONSIBILITY

2 Notwithstanding paragraph A.3 above, the Government will not be
3 obligated to recommend any adjustment for Acceptance of Responsibility
4 if defendant engages in conduct inconsistent with acceptance of
5 responsibility including, but not limited to, the following:

- 6 1. Fails to truthfully admit a complete factual basis as
7 stated in the plea at the time the plea is entered, or
8 falsely denies, or makes a statement inconsistent
9 with, the factual basis set forth in this agreement;
10 2. Falsely denies prior criminal conduct or convictions;
11 3. Is untruthful with the Government, the Court or
12 probation officer; or
13 4. Materially breaches this plea agreement in any way.

14 C. FURTHER ADJUSTMENTS AND SENTENCE REDUCTIONS INCLUDING
15 THOSE UNDER 18 U.S.C. § 3553

16 The parties agree that defendant may request or recommend
17 additional downward adjustments, departures, including criminal history
18 departures under USSG § 4A1.3, or sentence reductions under 18 U.S.C.
19 § 3553. The Government will oppose any such downward adjustments,
20 departures and sentence reductions not set forth in Section X, paragraph
21 A above.

22 D. NO AGREEMENT AS TO CRIMINAL HISTORY CATEGORY

23 The parties have **no** agreement as to defendant's Criminal History
24 Category.

25 E. "FACTUAL BASIS" AND "RELEVANT CONDUCT" INFORMATION

26 The parties agree that the facts in the "factual basis" paragraph
27 of this agreement are true, and may be considered as "relevant conduct"
28 under USSG § 1B1.3 and as the nature and circumstances of the offense
under 18 U.S.C. § 3553(a)(1).

1 F. PARTIES' RECOMMENDATIONS REGARDING CUSTODY

2 The Government will recommend that defendant be sentenced within
3 the advisory guideline range recommended by the Government at
4 sentencing.

5 G. SPECIAL ASSESSMENT/FINE/RESTITUTION

6 The parties will jointly recommend that defendant pay a special
7 assessment in the amount of \$100.00 per felony count of conviction to
8 be paid forthwith at time of sentencing. The special assessment shall
9 be paid through the office of the Clerk of the District Court by bank
10 or cashier's check or money order made payable to the "Clerk, United
11 States District Court."

12 H. SUPERVISED RELEASE

13 If the Court imposes a term of supervised release, defendant agrees
14 that he will not later seek to reduce or terminate early the term of
15 supervised release until he has served at least 2/3 of his term of
16 supervised release and has fully paid and satisfied any special
17 assessments, fine, criminal forfeiture judgment and restitution
18 judgment.

19 I. IMMIGRATION CONSEQUENCES

20 Defendant recognizes that pleading guilty may have consequences
21 with respect to his immigration status if he is not a citizen of the
22 United States. Under federal law, a broad range of crimes are removable
23 offenses, including the offense(s) to which defendant is pleading
24 guilty. Indeed, because defendant is pleading guilty to conspiracy to
25 launder monetary instruments, removal is presumptively mandatory.
26 Removal and other immigration consequences are the subject of a separate
27 proceeding, however, and defendant understands that no one, including
28 his attorney or the district court, can predict to a certainty the

1 effect of his conviction on his immigration status. Defendant
2 nevertheless affirms that he wants to plead guilty regardless of any
3 immigration consequences that his plea may entail, even if the
4 consequence is his/her automatic removal from the United States.

5 J. CREDIT FOR PRIOR CUSTODY

6 The parties agree that, pursuant to 18 U.S.C. § 3585, Defendant
7 should receive credit for the time he served in Mexican custody while
8 awaiting extradition on the charges in this case. Nevertheless, the
9 parties recognize that the amount of time to be credited is to be
10 calculated exclusively by the Bureau of Prisons, after sentencing is
11 complete. See United States v. Wilson, 503 U.S. 329, 331-32 (1992).

12 **XI**

13 **DEFENDANT WAIVES APPEAL AND COLLATERAL ATTACK**

14 In exchange for the Government's concessions in this plea
15 agreement, defendant waives, to the full extent of the law, any right
16 to appeal or to collaterally attack the conviction and any lawful
17 restitution order, except a post-conviction collateral attack based on
18 a claim of ineffective assistance of counsel. The defendant also waives,
19 to the full extent of the law, any right to appeal or to collaterally
20 attack the sentence, except a post-conviction collateral attack based
21 on a claim of ineffective assistance of counsel, unless the Court
22 imposes a custodial sentence above the high end of the guideline range
23 (which, if USSG 5G1.1(b) applies, will be the statutorily required
24 mandatory minimum sentence) recommended by the Government pursuant to
25 this agreement at the time of sentencing, excluding any recommended
26 variance. If the custodial sentence is greater than the high end of
27 that range, defendant may appeal, but the Government will be free to
28 support on appeal the sentence actually imposed. If defendant believes

1 the Government's recommendation is not in accord with this plea
2 agreement, defendant will object at the time of sentencing; otherwise
3 the objection will be deemed waived.

4 If at any time defendant files a notice of appeal, appeals or
5 collaterally attacks the conviction or sentence in violation of this
6 plea agreement, said violation shall be a material breach of this
7 agreement as further defined below.

8 **XII**

9 **BREACH OF THE PLEA AGREEMENT**

10 Defendant acknowledges, understands and agrees that if defendant
11 violates or fails to perform any of defendant's obligations under this
12 agreement, such violation or failure to perform may constitute a
13 material breach of this agreement.

14 Defendant acknowledges, understands and agrees further that the
15 following non-exhaustive list of conduct by defendant unquestionably
16 constitutes a material breach of this plea agreement:

- 17 1. Failing to plead guilty pursuant to this agreement;
- 18 2. Failing to fully accept responsibility as established
19 in Section X, paragraph B, above;
- 20 3. Failing to appear in court;
- 21 4. Attempting to withdraw the plea;
- 22 5. Failing to abide by any lawful court order related to
23 this case;
- 24 6. Appealing or collaterally attacking the sentence or
25 conviction in violation of Section XI of this plea
agreement; or
- 26 7. Engaging in additional criminal conduct from the time
27 of arrest until the time of sentencing.

1 In the event of defendant's material breach of this plea agreement,
2 defendant will not be able to enforce any of its provisions, and the
3 Government will be relieved of all its obligations under this plea
4 agreement. For example, the Government may pursue any charges including
5 those that were dismissed, promised to be dismissed, or not filed as a
6 result of this agreement (defendant agrees that any statute of
7 limitations relating to such charges is tolled as of the date of this
8 agreement; defendant also waives any double jeopardy defense to such
9 charges). In addition, the Government may move to set aside defendant's
10 guilty plea. Defendant may not withdraw the guilty plea based on the
11 Government's pursuit of remedies for defendant's breach.

12 Additionally, if Defendant breaches this plea agreement: (i) any
13 statements made by defendant, under oath, at the guilty plea hearing
14 (before either a Magistrate Judge or a District Judge); (ii) the
15 stipulated factual basis statement in this agreement; and (iii) any
16 evidence derived from such statements, are admissible against defendant
17 in any prosecution of, or any action against, defendant. This includes
18 the prosecution of the charge(s) that is the subject of this plea
19 agreement or any charge(s) that the prosecution agreed to dismiss or
20 not file as part of this agreement, but later pursues because of a
21 material breach by the defendant. Additionally, defendant knowingly,
22 voluntarily, and intelligently waives any argument under the United
23 States Constitution, any statute, Rule 410 of the Federal Rules of
24 Evidence, Rule 11(f) of the Federal Rules of Criminal Procedure, and/or
25 any other federal rule, that the statements or any evidence derived
26 from any statements should be suppressed or are inadmissible.

XIII

CONTENTS AND MODIFICATION OF AGREEMENT

This plea agreement embodies the entire agreement between the parties and supersedes any other agreement, written or oral. No modification of this plea agreement shall be effective unless in writing signed by all parties.

XIV

DEFENDANT AND COUNSEL FULLY UNDERSTAND AGREEMENT

By signing this agreement, defendant certifies that defendant has read it (or that it has been read to defendant in defendant's native language). Defendant has discussed the terms of this agreement with defense counsel and fully understands its meaning and effect.

XVI

DEFENDANT SATISFIED WITH COUNSEL

Defendant has consulted with counsel and is satisfied with counsel's representation. This is defendant's independent opinion, and her counsel did not advise her about what to say in this regard.

RANDY S. GROSSMAN
Acting United States Attorney


DANIEL E. ZIPP
Assistant U.S. Attorney


FREDERICK M. CARROLL
Defense Counsel

IN ADDITION TO THE FOREGOING PROVISIONS TO WHICH I AGREE, I SWEAR UNDER PENALTY OF PERJURY THAT THE FACTS IN THE "FACTUAL BASIS" SECTION ABOVE ARE TRUE.


JUAN MANUEL ALVAREZ INZUNZA
Defendant